



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

April 26, 2018

The Honorable Ron Wyden
Ranking Member
Committee on Finance
United States Senate
Washington, DC 20510

Dear Senator Wyden:

I write in response to your recent letters to Secretary Mnuchin regarding Section 241 of the Countering America's Adversaries Through Sanctions Act (CAATSA); ties between Russian officials, namely Alexander Torshin, and the National Rifle Association; and the 2008 sale of a property owned by President Trump.

With regard to your question about sanctions, we share your concern about the "undisputed and urgent" threat posed by the Russian regime, including those officials and oligarchs who promote and enable its corruption, repression, and efforts to destabilize democratic societies. While the Department of the Treasury does not openly telegraph future sanctions actions, Secretary Mnuchin has made it clear that we are focused on countering Russia's malign conduct and those who enable it as evidenced by Treasury's robust use of the full range of available authorities.¹

In 2017, Treasury's Office of Foreign Assets Control (OFAC) imposed targeted sanctions on 58 individuals and entities related to Russia and Ukraine. On January 26, 2018, OFAC sanctioned 42 additional individuals and entities under four Executive Orders codified under CAATSA for their conduct in connection with Ukraine. In addition to targeting actions related to Ukraine, on December 20, 2017, OFAC designated five individuals pursuant to the Sergei Magnitsky Rule of Law Accountability Act of 2012, which brings the total designated under this program to forty-nine.

Also, on March 15, 2018, Treasury designated five entities and 19 individuals under CAATSA as well as Executive Order (E.O.) 13694 for malign Russian cyber activity, including their attempted interference in the U.S. elections.

Most recently, on April 6, 2018, OFAC, in consultation with the Department of State, designated seven Russian oligarchs and 12 companies they own or control, 17 senior Russian government

¹ These authorities include the Support for the Sovereignty, Integrity, Democracy, and Economic Stability of Ukraine Act of 2014 and the Global Magnitsky Human Rights Accountability Act, as well as the Sergei Magnitsky Rule of Law Accountability Act of 2012 (the Magnitsky Act), the Ukraine Freedom Support Act of 2014, and the Countering America's Adversaries Through Sanctions Act (CAATSA) of 2017, and Executive Orders 13660, 13661, 13662, and 13685.

officials, and a state-owned Russian weapons trading company and its subsidiary, a Russian bank. This action targeted a number of the individuals listed in the Section 241 Report on Senior Foreign Political Figures and Oligarchs in the Russian Federation, including those who benefit from the Putin regime and play a key role in advancing Russia's malign activities.

Among those designated was Alexander Torshin, the State Secretary—Deputy Governor of the Central Bank of the Russian Federation. Torshin was designated pursuant to E.O. 13661, which CAATSA codified, for being an official of the Government of the Russian Federation. As this action made clear, Russian oligarchs and elites who profit from this corrupt system will no longer be insulated from the consequences of their government's destabilizing activities.

These targeted actions bring the total Russia and Ukraine-related sanctions designations to date by this administration to 136—in addition to nine Russians targeted for malign activities related to the North Korea sanctions program, two under E.O. 13582 (Syria), 24 under E.O. 13694 (Cyber) as amended, 11 under E.O. 13581 (Transnational Criminal Organizations), and two under the Global Magnitsky Human Rights Accountability Act. We welcome support from the Congress in our efforts to deter human rights abuses and other egregious acts in Russia and around the world.

As for the real estate transaction you reference, Treasury does not comment on specific cases. Furthermore, FinCEN must maintain the confidentiality of Suspicious Activity Reports to protect filers and potentially named individuals, among others, and to ensure that financial institutions continue to provide valuable lead information to law enforcement.

As you know, FinCEN engages in a "follow the money" approach. Its close collaboration with law enforcement is aimed at holding criminals accountable, including perpetrators of fraud, tax evaders, narcotics traffickers and terrorist groups. The primary objective of the Geographical Targeting Orders requiring title insurance companies to identify the natural persons behind shell companies used to pay for high-end residential real estate properties in Manhattan and Miami is to assess and combat the potential money laundering risks associated with luxury real estate purchases. I can assure you that we take our responsibilities in these areas extremely seriously as we work together to protect the national security of the United States.

If you have any further questions or concerns, please contact the Office of Legislative Affairs.

Sincerely,



Drew Maloney
Assistant Secretary for Legislative Affairs

cc: The Honorable Orrin G. Hatch